

APPENDIX B - FUNDING SOURCES: SFY 2002 - SFY 2005 MEDICAID AND CHIP PROGRAMS (State Dollars in Millions)												
		December forecast SFY '03	April update SFY '03	Difference		December forecast SFY '04	April update SFY '04	Difference		December forecast SFY '05	April update SFY '05	Difference
Forecasted Expenditures - State Share		\$1,503.6	\$1,493.3	(\$10.3)		\$1,636.2	\$1,619.7	(\$16.4)		\$1,800.3	\$1,773.1	(\$27.2)
State Interfund Transfers												
HCI Fund Transfer		(\$40.9)	(\$40.9)	\$0.0		(\$41.9)	(\$41.9)	\$0.0		(\$42.9)	(\$42.9)	\$0.0
Med. Indigent Care Trust Fund		(\$21.0)	(\$21.0)	\$0.0		(\$25.0)	(\$25.0)	\$0.0		(\$25.0)	(\$25.0)	\$0.0
CHIP Transfer		(\$20.4)	(\$20.2)	\$0.2		(\$23.1)	(\$22.1)	\$1.0		(\$25.8)	(\$24.8)	\$1.0
Div. Disability, Aging and Rehab Services												
Group Home Day Services		(\$7.4)	(\$7.4)	\$0.0		(\$7.4)	(\$7.4)	\$0.0		(\$7.4)	(\$7.4)	\$0.0
In-Home Services (CHOICE)		(\$5.6)	(\$5.6)	\$0.0		(\$5.6)	(\$5.6)	\$0.0		(\$5.6)	(\$5.6)	\$0.0
Developmentally Disabled Client Services		(\$37.3)	(\$45.8)	(\$8.6)		(\$63.6)	(\$63.6)	\$0.0		(\$80.4)	(\$80.4)	\$0.0
Division of Mental Health												
Community Mental Health Rehab Option		(\$78.9)	(\$78.9)	\$0.0		(\$93.1)	(\$93.1)	(\$0.0)		(\$106.6)	(\$106.6)	\$0.0
State Institution DSH Transfers		(\$40.1)	(\$40.1)	\$0.0		(\$35.6)	(\$35.6)	(\$0.0)		(\$36.1)	(\$36.1)	\$0.0
Medicaid ICF/MR Assessment Account		(\$14.7)	(\$14.7)	\$0.0		(\$14.1)	(\$14.1)	\$0.0		(\$14.1)	(\$14.1)	\$0.0
County Medical Assistance to Wards		(\$12.7)	(\$12.7)	\$0.0		(\$13.3)	(\$13.3)	\$0.0		(\$14.0)	(\$14.0)	\$0.0
Interfund Transfers		(\$279.0)	(\$287.3)	(\$8.3)		(\$322.6)	(\$321.6)	\$1.0		(\$357.9)	(\$356.9)	\$1.0
Revenue (One-Time and Ongoing)		(\$27.7)	(\$27.7)	\$0.0		(\$22.7)	(\$22.7)	\$0.0		(\$23.2)	(\$23.2)	\$0.0
Cash Adjustment		(\$6.8)	(\$5.6)	\$1.2		\$1.43	\$0.07	(\$1.36)		(\$13.8)	(\$15.6)	(\$1.8)
Additional Cost Containment/Adjustments ^{1,2,3,4}		\$17.5	\$15.0	(\$2.5)		(\$5.6)	(\$5.6)	\$0.0		(\$10.0)	(\$10.0)	\$0.0
Forecasted Expenditures - Medicaid GF Assistance		\$1,207.6	\$1,187.6	(\$20.0)		\$1,286.7	\$1,269.9	(\$16.8)		\$1,395.5	\$1,367.5	(\$28.0)

1. The 2003 Additional Cost Containment/Adjustment reflects additional expenses estimated at \$17.5 million for pharmacy benefit management, disease/case management and managed care for aged, blind and disabled recipients. It also includes 2.5 million in cost savings as a result of the 3rd mass adjustment yet to be completed from the pharmacy audit.

2. The 2004 Additional Cost Containment/Adjustment is composed of \$2.5 million in savings for disease/case management, \$3.1 million in savings for other pharmacy related PBM initiatives.

3. The 2005 Additional Cost Containment/Adjustment is composed of \$7.1 million in savings for disease/case management, \$2.9 million in savings for other pharmacy related PBM initiatives.

4. The additional expenditures referenced footnote 2 above are assumed to be included in the Medicaid Administration account for the '04 - '05 biennium.

5. This forecast does not include Mental Health Rehab Option (MRO) Expansion, Department of Education waivers or eligibility for Silvercrest and Soldiers and Sailors. Although those would be additional expenditures and would increase overall Medicaid expenditures, assuming they are pass-throughs for Medicaid, they would not have a net effect on the Medicaid Assistance expenditures/appropriation.

6. The December forecast is based on paid claims data through October 2002. The April update is based on paid claims data through February 2003.